

A regular meeting of the **Michigan Public School Employees Retirement System Board** was held at the General Office Building, 7150 Harris Drive, Conference Room A, Dimondale, Michigan, on Thursday, May 28, 2015. The following members, staff, and observers participated:

Members Present: C. Dan Christner, Retiree Member  
Mike Engle, Active Classroom Teacher Member  
Michael Flanagan, Superintendent of Public Instruction  
Scott Koenigsknecht, Active Superintendent Member  
Timothy Nelson, Community College Administrator/Trustee Member  
Kevin Philipps, Representing Finance/Operations, non-Superintendents  
Timothy Raymer, Representing Finance/Operations, Retirants,  
Member of largest retirant organization  
Michael Ringuette, General Public Member, Actuarial Experience  
Christine Veld, Non-Certified Educational Support Member

Staff Present: Phil Stoddard, Executive Secretary  
Chanda Donnan, Recording Secretary

Others Present: Regina Jamerson of Blue Cross Blue Shield of Michigan; Cara Dobie of Capitol Services; Earl Hagstrom and Judy Foster of MEA-Retired; Chuck Agerstrand of MEA; Paula Brawdy of Priority Health; Richard Williams and Larry Lloyd of Williams and Co.; Ronda Daugherty with Truven Health; Brian Morris and Gin Gibson of Towers Watson; Bob Dwan of Michigan School Business Officials; Patrick Fitzgerald of the Office of Attorney General; John Karagoulis, Michael Herbach, and Kerrie Vanden Bosch of Office of Retirement Services.

## Call to Order

Chair Scott Koenigsknecht called the meeting to order at 10:28 a.m.

## Excusing of Absent Members

Timothy Nelson moved, Kevin Philipps supported, to excuse the absence of Ivy Bailey, Stephen Epstein, and Larry Ward. The motion carried unanimously.

## Approval of Agenda

Timothy Nelson moved, Michael Ringuette supported, to approve the agenda as presented. The motion carried unanimously.

## Approval of Minutes

C. Dan Christner moved, Christine Veld supported, to approve the regular session meeting minutes of March 26, 2015. The motion carried unanimously.

## Nominations Committee for July Board Elections

Chair Koenigsknecht asked that the Nominations Committee that served in 2014 be contacted to see if they would serve again in 2015. Current members on the Board who served in 2014 are Michael Ringuette and Stephen Epstein.

## Administrative Hearings

### Proposal for Decision – Docket 14-021146-ORS

The Board considered the case materials. Michael Ringuette moved, Timothy Nelson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the January 30, 2015 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to change her retirement pension election under MCL 38.1359(3). The motion carried unanimously.

### Proposal for Decision – Docket 14-020048-ORS

The Board considered the case materials. Michael Ringuette moved, Kevin Philipps supported, that the Board adopt as its own the recommendations of the Presiding Officer in the December 11, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

### Proposal for Decision – Docket 14-006860-ORS

The Board considered the case materials. Michael Ringuette moved, Timothy Nelson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the November 25, 2014 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability retirement benefits under MCL 38.1386. The motion carried unanimously.

### Proposal for Decision – Docket 14-016337-ORS

The Board considered the case materials. Michael Ringuette moved, Kevin Philipps supported, that the Board adopt as its own the recommendations of the Presiding Officer in the March 18, 2015 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's application for non-duty disability under MCL 38.1386. The motion carried unanimously.

Proposal for Decision – Docket 14-011071-ORS

The Board considered the case materials. Michael Ringuette moved, Timothy Nelson supported, that the Board adopt as its own the recommendations of the Presiding Officer in the February 4, 2015 Proposal for Decision, including the proposed Findings of Fact and Conclusions of Law, and deny Petitioner's request to purchase non-intervening military service. The motion carried unanimously.

**New Business**

Resolution for Board Consideration and Approval

Timothy Nelson moved, Michael Flanagan supported, that the Board adopt the Resolution honoring Charles Thomas as presented. The motion carried unanimously.

Hazel Park Public Schools Non-Payment

Michael Ringuette moved, Timothy Nelson supported, that the Board approve the notice to the Superintendent of Public Instruction and the State Treasurer to withhold, in the manner and amount prescribed by the Michigan Public School Employees' Retirement System, state school aid payable to Hazel Park Public Schools in order to satisfy the delinquent amounts due as authorized under MCL 38.1342. The motion carried with one abstention.

**Special Reports**

Mita Drazilov of Gabriel Roeder Smith & Company presented highlights of the Actuarial Pension Valuation for the period ending September 30, 2014 to Board members and answered questions.

Louise Gates of Gabriel Roeder Smith & Company, presented highlights of the Actuarial Health Care Valuation for the period ending September 30, 2014 to Board members and answered questions.

**Standing Reports**

Legislative Summary - The Board received the current report.

Health Insurance Committee – Ben Louagie of Towers Watson presented the proposed 2016-2017 Strategic Healthcare Initiatives to the Board and answered questions.

### Executive Secretary Comments

Phil Stoddard stated he is pleased with the two-year package of proposed healthcare initiatives.

### Board Comments

Chair Koenigsknecht wished Michael Flanagan well in his retirement and welcomed Timothy Raymer to the Board.

Chair Koenigsknecht informed the Board that July meeting materials will be presented electronically via Box.com only.

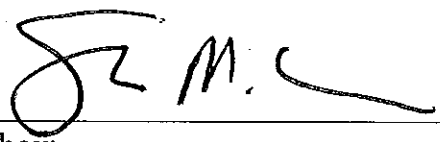
### Public Comments

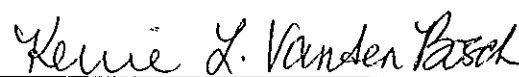
Comments were received from Earl Hagstrom.

### Adjournment

Kevin Philipps moved, Timothy Nelson supported, that the meeting be adjourned. The motion carried unanimously and Chair Koenigsknecht adjourned the meeting at 12:26 p.m.

### OFFICIAL MINUTES

  
Chair

  
Executive Secretary-Acting